

Oblate International Pastoral Investment Trust

Impact Investing Journey Overview

The Missionary Oblates of Mary Immaculate (OMI) began two centuries ago in France as Catholic congregation missionaries, both priests and brothers. Today, there are more than 4,000 Oblates serving marginalized peoples and communities living in poverty in the U.S. and more than 60 countries globally. In 1990, the Oblates established the [Oblate International Pastoral Investment Trust \("Trust"\)](#) to manage the financial resources of more than 100 Roman Catholic organizations worldwide. The Trust is a professionally-managed, diversified investment fund that seeks to promote a more equitable and sustainable world through socially responsible, faith consistent, and impact investing.

AT A GLANCE

Denomination: Catholic

Location: Washington, DC

Year of First Impact Investment: 2012

Impact Sector Focus:

- Infrastructure
- Microfinance
- Education

Geographic Impact Focus: Global

Impact Investing Leads: Father Séamus Finn, omi, Director, Chief of Faith Consistent Investing; Father Rufus Whitley, omi, CFO

Website: <http://omiusajpic.org/issues/investing/>

The Oblates' focus on serving the poor, especially in developing countries, motivated them to implement a faith consistent and socially responsible investment mandate. They began with "do-no-harm" exclusions, avoiding investments in companies that undermined their mission and the common good. As the Trust grew, they expanded their efforts to include advocacy work in the areas of human rights, environment, indigenous rights, employee rights and working conditions, among others. In 2012, the Trust began making "proactive" impact investments that foster socially beneficial objectives and sustainable communities. Today, the fund's direct impact portfolio is over \$53 million, and other quasi-impact investments represent another \$117 million. "Quasi-impact" investments include investments in firms that do not indicate an "impact" label per se, but have a discernible social impact in the community.

"Impact investing is a call for groups like ours to work diligently and collaboratively in providing capital to address the most pressing social and environmental issues of our time."

- Father Séamus Finn, omi, Chief of Faith Consistent Investing

Key Steps Taken and Barriers Overcome Along the Impact Investing Journey

The Oblates' journey has been one of consistently aligning their investments with their mission and faith values, so the entire portfolio is promoting the common good. This began with shareholder advocacy, in recognition of the significant influence corporations have on people, communities, and planet, and their belief that active responsible, and faith-guided ownership is vital to promote a more equitable and sustainable world. They partner with other faith and socially responsible investors through the [Interfaith Center on Corporate Responsibility](#) to amplify their power through a unified voice against injustice.

For the Oblates' impact investments, they focused first on prudent diversification, and then reaching scale. One of the largest hurdles was moving from the public to private impact markets. Their experience in general private market investment helped build a foundation on which the Trust transitioned to making direct impact investments that support priority communities. With most of their members serving in the developing world, the Oblates wrestled with questions like "what does development mean in the developing world," "do we make a grant or loan?" They have steadily deepened the connection between their portfolio and their mission, recognizing that even a small investment in a credit union, cooperative, microfinance organization, an entrepreneur, or woman-led business can make a huge difference.

In the early years, this was "tremendously labor-intensive work," with fax machines and paper. Since then, the internet has opened access to additional layers of data and tools. The emergence of the [UN Sustainable Development Goals \(SDGs\)](#) helped give the board "measuring sticks" to evaluate the Trust's impact portfolio.

This interview is part of a series of Faith Investor Profiles highlighting how institutions across denominations are investing for impact. The Profiles are for informational purposes only, and should not be construed as any financial advice nor a recommendation of any investment strategy or product. All investing carries risk, past performance is no guarantee of future results. More at: www.calvertimpactcapital.org/faith

Successes and New Frontiers

The Trust's portfolio growth over its 30-year history, rooted in its adherence to its faith consistent investment principles, has been a success. The Trust began in 1991 with \$20 million in assets under management, primarily invested in corporate bonds in Germany and Canada. Today, the portfolio has grown to over \$750 million with investments in public equities and fixed income, as well as the private equity and debt markets, including direct investments for impact.

A distinct accomplishment is the Oblates' commitment to investing in new and emerging fund managers to promote diversity alongside financial returns. Father Séamus Finn, omi, likens it to "heart surgery" and says, "Everyone wants the heart surgeon who has done the surgery a thousand times. But how did that surgeon get the first 999 done?" They build a "tilt" in their portfolio to intentionally invest in emerging fund managers to promote gender and ethnic diversity in a financial services industry.

The Trust is working its way into two new frontiers—impact measurement and management (IMM) and succession planning. The impact investing industry has grown to value IMM to promote greater effectiveness and efficiency in allocating impact investments. While this practice has proven vital, in some cases the amount of reporting and data can prove daunting. The Oblates have sought to strike a balance between critical IMM practices and deploying capital efficiently.

The lean team—some having worked with the Trust since its inception or soon after—is also preparing for the future as retirement beckons. They recognize there is much new talent out there, and that "each generation will have a different set of priorities."

Suggestions for Fellow Faith Investors

When asked for advice for other faith investors, Father Séamus commented, "People sometimes sit around and discuss impact investing, but never do it. Jump in and start doing it! To get started prudently, set aside a portion that people are comfortable with, then learn by doing."

Father Séamus stresses that staying focused on your organizational identity is a good place to start. "See what inspiration you can get from your own community and its stories... there is so much innovation and creativity out there, kick the tires, and take what you think is appropriate and take a step forward and see where it goes." Also, look at what your predecessors did in terms of launching forth into new ventures—how did they get started?

Father Séamus pointed to the Women Religious, Catholic orders of sisters in the faith, as forerunners of the impact investing movement. He noted that "women have been leaders of most prophetic movements in the church, including this one. They get to action quicker than men."

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